

this thing up. The demand has gone up, the supply has gone down. The price has gone up 50 percent in the 15 months that NANCY PELOSI has been Speaker of the House. And I have to listen to the drivel that says there is some other reason because what, we didn't go after the windfall profits of the oil companies? I don't think so. That means everybody delivering oil is a crook and everybody is fixing prices and going along with it. It is supply and demand. That is the bottom line on this energy piece.

As I look at my colleague from Michigan, who actually comes to the floor with a significant amount of expertise, I would be very pleased to yield such time as the gentleman may consume. Mr. McCOTTER from Michigan.

Mr. McCOTTER. I appreciate that. Thank you. We have a fundamental agreement and yet a disagreement. I think that everyone can see that there are three key elements to America's energy situation: Production, conservation, and innovation. We all agree on conservation. We'd like to see America more energy efficient, and we differ on whether or not what the extreme would be in terms of conservation. Republicans generally would hope that they would be community-oriented conservation, recognizing these tiny ripples of hope, citizen engagement in protecting their local environment would be the most efficacious way to deal with this situation rather than pass an overarching bill in Washington, with no citizen participation and only hope and more regulation, taxation, and burden upon America's industry and upon the American people.

In the area of innovation it is a very stark difference. Our side of the aisle believes that the free market and the genius of the American people will come up with the innovative solutions necessary to move us toward green fuels and a cleaner environment. The other side of the aisle believes the government knows best, and if they just capture enough revenues from the hardworking American people, they will then determine what ideas will work and will not work and force them upon the market.

But it is most noticeable in the area of production where the two sides differ. We believe production is essential. The gentleman from Iowa has properly laid out we live in a global economy. Supply and demand are the keys to the crisis today. If America does not produce more energy from its own sources, the cost will continue to go up because the supply will remain constricted, if not finite, and the demand will continue to grow from developing countries such as Communist China, India, and others.

What we believe is necessary is a declaration of energy independence which, like our own country's Declaration of Independence, recognizes that it would not happen overnight, it would not be easy; it would require sacrifice, and yet together we would get there.

We need to continue to produce domestic energy as we transition through a free market-based approach to innovations that will get us to a green energy policy and through the community-based conservation that will help foster and perpetuate energy efficiencies within our communities, within our homes.

Now the difference between these two policies is clear in the chart that the gentleman from Iowa has put before us. As someone who does not come from Iowa, but from Michigan, once known as the arsenal of democracy, a proud manufacturing State, the State that put the world on wheels, we see what the cost of energy does. It is not an abstract number, it is a situation which causes an intense amount of pain and anxiety to the constituents of my district and the constituents of my State.

Manufacturing requires energy. We know the manufacturing sector has been decimated by unfair trade competition and other unfortunate policies. Yet, when you take the cost of energy on top of it, you are almost signaling the death knell of the manufacturing base as we know it and as we would like to preserve it, because that cost of energy, as it rises, is put into everything the manufacturer must do. And in the age of global competition, it becomes increasingly difficult for the manufacturer to keep his costs down, his fixed overhead rising, and in the end, there comes the push, especially from the tier one and tier two suppliers, the push comes from above to either eat the cost or send it offshore.

We also are starting to see what the government dictates in terms of innovation with the emphasis on ethanol and others is we are beginning to hear stories about food shortages in the United States, we are now beginning to hear about how the cost of basic staple commodities is rising. Again, in our economy today, which is slowing down, the cost of energy, the cost of gasoline in particular is the cause. In my mind, this is the cause. Because it is one important commodity that is continuing to go up in price without any relief in sight, and it also has spillover costs to all of the other commodities related to it.

There is nothing that does not wind up on your kitchen table that does not require energy to produce and transport. There is nothing in your home that you turn on, your Internet, or anywhere else, that does not require energy. As the cost of energy goes up, the cost of everything goes up. If we do not help increase the supply of energy, the costs will continue to rise, the American people will continue to suffer.

Now there will be an attempt, because evidently production conservation and innovation in a sound way is not palatable to some in this chamber, indeed a majority, there would be the attempt to shift the blame for the rising costs of energy to the producers. I am no fan of any multinational cor-

poration. But then, again, I am not their executioner either. Because I remember what Ronald Reagan once said, Corporations are not taxpayers, corporations are tax collectors.

You want a windfall profits tax, you want a punitive tax on oil companies, energy producers, you can do it. And where are these energy producers and oil companies going to get that revenue from? They are going to pass the cost right onto the American people at their pumps, because Americans right now cannot survive without driving their cars to work. They cannot survive without energy. It would seem to me that these are simple lessons that we should have learned in our youth.

Then it occurred to me as I watch my children grow up, we have an entire generation of voters that were not alive in the 1970s. They did not live through the OPEC oil crisis, they did not live through taxation upon energy producers, they did not live through the syn fuels, where government raised taxes, put money in a fund, handed it out and we were going to be energy independent, or when Jimmy Carter went on TV and declared that by turning down the thermostat to 68, this was the moral equivalent to war.

The gentleman from Iowa and I have in the past talked about our love of history and its need to be taught in the schools. Because anyone with a remote understanding of the 1970s would understand that the failed policies of the 1970s are inadequate to meet the pressing energy needs of today. What we need is a 21st century energy strategy, not a failed 1970s Jimmy Carter policy that actually helped pave the way toward more energy dependence in America.

So I thank the gentleman for what he is doing today, and I would encourage my colleagues to go back and look at what was tried before and failed and then perhaps they would be more amenable to coming across the aisle in joining with us to try to take concrete steps to alleviate not only the rising cost of energy but the rising cost of everyday life that is associated with it.

I yield back to the gentleman from Iowa.

Mr. KING. I thank the gentleman from Michigan for coming down to the floor and adding to this dialog.

Mr. Speaker, as I listen to Mr. McCOTTER and reflect upon his remarks that corporations are tax collectors, that they actually don't pay taxes, it's Ronald Reagan's position, my position, Mr. McCOTTER's position. They will pass those costs along to the consumer because in the end it's the last stop of the retail that pays the taxes. That is the people in the end. The consumers in the end will pay the price. If they raise the taxes, we will see the prices go up. If we make energy more scarce, the price will go up. If we are punitive towards companies that are producing this energy and risking their capital, their capital will go elsewhere.